

Atlas Minerals
Division of Atlas Corporation
Post Office Box 1207
Moab, Utah 84532 - 1207
Phone (801) 259-5131

File #5
Copies to Pam, Tom T.
(general file)
ACT/037/051

JIM
MAR 22 1983

March 17, 1983

Mr. James W. Smith, Jr.
Coordinator
Mined Land Development
Division of Oil, Gas & Mining
Utah Department of Natural Resources & Energy
4241 State Office Building
Salt Lake City, UT 84114

RE: Final Approval of the Atlas
Minerals Mined Land Reclamation
Contract

Dear Mr. Smith:

This correspondence transmits three originals of the "Mined Land Surety Contract" which have been signed and sealed by Mr. Edward R. Farley, Jr., President and Chairman of the Board of Atlas Corporation. We look forward to receiving two of these with the approval of the Board affixed in the near future.

Additionally, pursuant to your letter of January 28, 1983, we do agree to adhere to and comply with Conditions 1-6 as stipulated in your letter. Detailed responses to these Conditions will be forwarded to you within the allotted sixty day time period.

However, the amounts specified in Condition 7 were reviewed with Pamela Grubaugh-Littig of your staff and subsequently revised as shown in her letter dated February 9, 1983. The 1983 figure reflects our current reclamation cost estimate for nineteen of our twenty-one permitted mines in the State of Utah. The other figures include a ten percent escalation factor from the previous year, which we understand is the current procedure used by the Division.

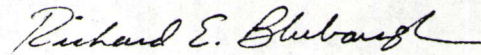
The other two permitted mines are covered by a \$25,000 surety bond with the Board of State Lands and the Division of State Lands and Forestry. This is on record with your Mr. T. Tetting by way of letter from Mr. John Blake dated February 22, 1983.

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DIVISION OF
OIL, GAS & MINING

We will be forwarding our responses to Condition 1-6 in the near future. We look forward to the final approval by the Board and a successful resolution to this matter. Please contact me or R. Broschat at your convenience should you have any questions.

Yours very truly,



Richard E. Blubaugh
Regulatory Affairs Manager

REB/sw

Encl.

cc: R. R. Weaver (w/o enc.)
M. A. Drozd (w/o enc.)
T. L. Wilson (w/o enc.)
R. J. Broschat (w/enc.)
J. Holtkamp, Van Cott, Bagley, Cornwall & McCarthy (w/enc.)



STATE OF UTAH
NATURAL RESOURCES & ENERGY
Oil, Gas & Mining

Scott M. Matheson, Governor
Temple A. Reynolds, Executive Director
Cleon B. Feight, Division Director

4241 State Office Building • Salt Lake City, UT 84114 • 801-533-5771

February 9, 1983

Mr. Richard Blubaugh
Atlas Minerals
Moab Mill Office
North Highway 163
Moab, Utah 84532-1207

ACT/037/013

RE: Mined Land Reclamation Contract
19 Atlas Mines

Dear Mr. Blubaugh:

This letter is to confirm the amount needed for the Mined Land Reclamation Contract to cover 19 Atlas Mines. There are two mines, Cane Creek and Standard II, that are on state lands and, therefore, excluded from this contract. The figures are:

1983 - \$919,285
1984 - \$1,011,213
1985 - \$1,112,335
1986 - \$1,223,568 (amount of Reclamation Contract)

Thank you for your cooperation in this matter.

Sincerely,


PAMELA GRUBAUGH-LITTIG
RECLAMATION ENGINEER

PGL/btb

cc: Jim Smith, DOGM
Tom Tetting, DOGM